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SECURITY INFORMATION

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Democratic Republic

FD- Abstract

RECOMMENDED SAMPLE INFORMATION ON THE VHS-SCHROTT ( 20 pp; German;

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This 20-page document contains the following:

1. Letter, dated 20 December 1951, from the Main Division for Budgeting of the GDR Ministry of Metallurgy and Ore-Mining's Central Department for General Administration to the Main Department for ~~budgeting~~ the Budget of the Ministry of Finance. The letter states that the reduction of scrap bonuses from 9 million DM to 5 million DM was too great. Actual scrap bonuses as of the letter date amounted to 5,671,500 DM, to which 145,000 DM must be added required for the remainder of ~~December~~ 1951. Total 1951 scrap bonuses: 5,816,500 DM. The amount of 816,500 DM is to be covered from the reserve for currency payments available to the VHS-Schrott (People-Owned Scrap Trading Center).

2. Report, dated 3 January 1952, on the audit of Eisenfels and Berlin inventories of bonus goods and exchange goods available at the VHS-Schrott. The report does not include data onuedlinburg.

Figures are given for goods and funds available to the VHS-Schrott for this purpose. The audit showed no significant discrepancies. The figures given are analyzed.

3. Note for the record, dated 28 December 1951, on accounting in 1952 for hard-to-salvage and hard-to-process scrap materials under the accounting method of loss planning.

Main considerations:

- a) It must be possible to measure the profitability of the enterprises.
- b) Costs of the hard-to-salvage and hard-to-process scrap material must be checked constantly to avoid [excessively] unprofitable operations.

The terms "hard-to-salvage scrap material" and "hard-to-process scrap material" are defined, and examples are cited to illustrate determination of costs, procedures for an advance cost accounting, applicable bookkeeping instructions, etc.

4. Note for the record, dated 2 January 1952, on the financial plan within the framework of the Economic Plan with particular reference to the VHS-Schrott.

Problems arising through the change-over from planning under the price support method to loss planning are described. The ~~most~~ difficulties in setting up the plans (under the new method) on short notice are expressed.

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Foreign language document or microfilm of it is available from CIA Library,

12 July 1952

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